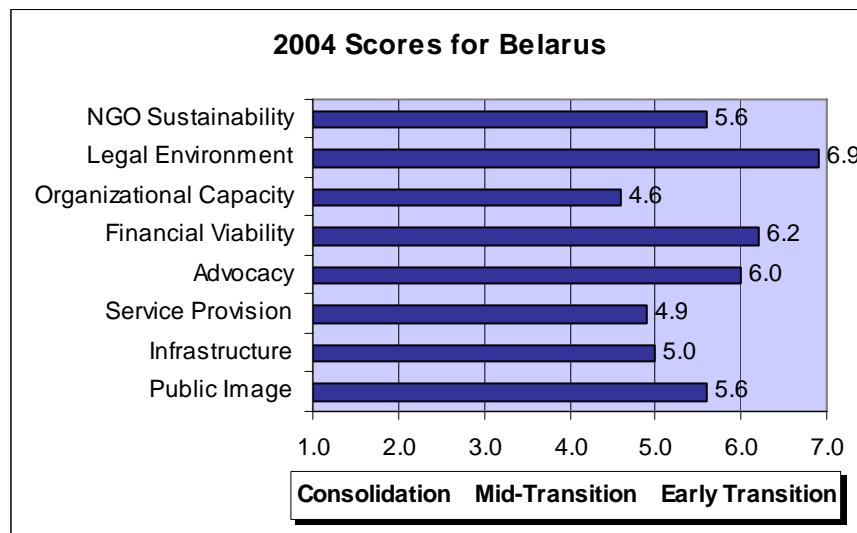


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**BELARUS**


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**Capital:** Minsk

**Polity:** Presidential

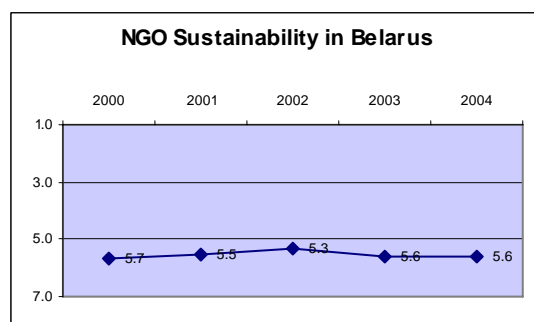
**Population:**

10,300,000

**GDP per capita**  
(PPP): \$6,100

### NGO SUSTAINABILITY: 5.6

The overall NGO Sustainability score for 2004 did not change with declines in some dimensions offset by improvements in others. The Organizational Capacity dimension improved slightly as NGOs increased both their overall understanding of strategic planning and implementation of beneficial organizational structures. The Service Provision dimension also improved, due to an increase in the quality of services provided and a greater awareness of constituency needs.



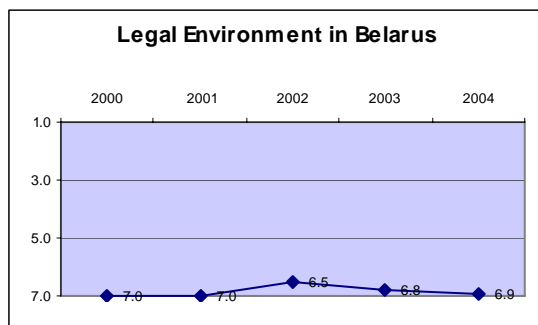
The sector was greatly influenced by many political events over the past year and NGOs continued to be harassed and pressured by the government. New regulations came into effect giving government authorities greater control over foreign aid and technical assistance and creating significant obstacles for donor programs. Implementation of the regulations resulted in the closing of two U.S. aid and assistance organizations, neither of which were re-registered, and the European Humanities University, one of the most progressive Universities in Belarus that had the only NGO management graduate-degree program. The new regulations and subsequent government actions have damaged the NGO sector by creating an even harsher legal environment, limiting advocacy efforts, depriving NGOs of support and training programs, and further preventing access to the national media.

Despite these difficulties, members from the NGO sector, trade unions, pro-democratic parties, and others joined together to defeat a controversial referendum that proposed a Constitutional ban against presidential term limits. The fall 2004 elections were equally contentious, as NGOs engaged in election

monitoring. Partnerstvo (Partnership), which is an unregistered, non-partisan grassroots organization, monitored voting stations in each of the 110 electoral districts, however, the government did not generally welcome these activities and restricted them when possible.

### LEGAL ENVIRONMENT: 6.9

The legal environment continues to be restrictive and has even deteriorated due to new regulations on foreign aid. Presidential Decree #24 “On Obtaining and Using Foreign Gratuitous Aid,” November 28, 2003, and Presidential Edict #460 “On International Technical Aid Granted to the Republic of Belarus,” October 22, 2003 came into effect in 2004. These regulations distinguish between “foreign aid” and “technical assistance,” and create separate procedures for the registration and use of each type of aid. The new reporting and approval mechanisms give the government control over donor funds and projects, and while the regulations provide tax exemptions, many NGOs still have to pay up to 30% tax on foreign aid, causing some donors to reconsider their support. These new regulations not only limit NGO activities, but deprive would-be beneficiaries of important services.



In June 2004, the Parliament drafted amendments for the Law on Public Associations that, if approved, may further complicate NGOs’ registration, and simplify their dissolution. NGOs can already be dissolved for violating the law on mass meetings. The new amendments will allow dissolution for violating the new foreign aid regulations, require NGOs to report periodically to an appropriate government agency, introduce “suspension of activities,” and stipulate a number of other complex requirements. Advocacy groups have made efforts to lobby against the amendments, but with little success.

Other laws and regulations create more obstacles for NGO formation and operation. The registration process is expensive, costing US\$ 100-200 depending on the organization. While government agency initiatives or others that the government considers to be non-threatening to the regime are less difficult to register, it is extremely difficult to register new, independent initiatives.

The National Commission on Registration of Public Associations, which has assumed powers not created by law and is thus non-transparent, advises the various ministries, such as the Ministry of Justice, on registering particular organizations. When a ministry receives a registration

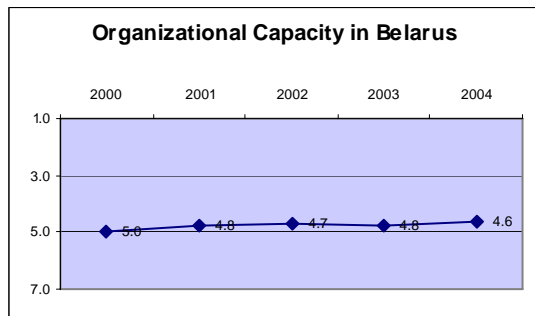
application, it has one month to respond, although some applicants have waited for more than a year only to receive negative responses with no explanations. An applicant may appeal, but the courts usually side with the government, with little basis in law. The law prohibits unregistered public associations from engaging in any activities, and in 2004, dozens of activists were fined or arrested for carrying on activities without being registered with numerous others being similarly accused.

Unclear and vague legislation allows the tax authorities and registration officials to inspect NGOs and subject them to arbitrary decisions. In 2003, government officials dissolved fifty-one leading NGOs, while seventy-eight others ceased operations due to harassment from government officials. In 2004, the government dissolved more than twenty organizations, and thoroughly inspected and issued warnings to 800 others. The GOB also denied renewal of registration permits for two U.S. organizations implementing USG-funded programs. The national security agencies and the Office of Public Associations questioned and searched some NGOs, and in some instances, confiscated their publications and print materials. These inspections made it nearly impossible for organizations to concentrate on their primary activities, and have proven to be a successful instrument for the government

to control the activities of the majority of NGOs.

The law permits NGOs to engage in economic activities, but requires that they pay taxes as if they were a for-profit entity. Similarly, while NGOs do not have to pay income tax on domestic donations, donors receive no exemptions or incentives and are still liable for all applicable taxes. The government-controlled NGOs, however, enjoy beneficial tax treatment, including tax exemptions and reduced rent. The Government and NGO sector have yet to develop sufficient social contracting or service procurement mechanisms. If passed, the amendments to the Law on Public Associations will further hamper NGOs' right to engage in economic activity by requiring them to form separate commercial enterprises.

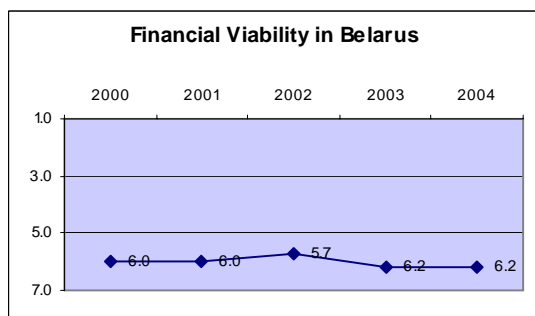
NGOs benefit from a network of lawyers that offers pro-bono legal services. The Assembly of Pro-democratic NGOs partnered with human rights groups and other specialized NGOs to launch the Collective Defense of NGOs, which is currently the strongest legal services initiative for NGOs. Some NGOs even have their own staff of qualified attorneys. However, government licensing requirements for legal consultations and dissemination of legal information limit access to these services. In addition, public associations only have standing to defend their member's interests in court, which prohibits human rights groups from assisting other NGOs.

**ORGANIZATIONAL CAPACITY: 4.6**

Training programs and knowledge-sharing by the more advanced organizations has increased the understanding that strategic planning is necessary for an NGO or coalition of NGOs to survive and develop. Most of the more advanced organizations, such as the NGO Assembly and the BOWW, have made significant achievements over the past year in terms of their organizational capacity. Some NGO leaders, who have benefited from such training programs and developed their membership bases and regional structures, are now sharing the experience with the others. Unfortunately, the knowledge gained from these training programs and learning opportunities is not always implemented, as many NGOs are consumed by the challenges of day to day survival. Without strategic planning, most

organizations lack the ability to expand their existing constituencies.

Many NGOs are still “one-man-shows,” run by a charismatic leader, with no clear division of responsibilities within the organization. A growing number of NGOs, however, have improved their internal management systems and now follow the provisions set forth within their statutes, as required by law. Few organizations are able to maintain a permanent staff, and primarily hire employees for specific projects. Although volunteerism is generally considered an important resource, only a few NGOs are able to attract, motivate, and retain volunteers. Most organizations have access to basic equipment and communications technology, although access is better in urban areas that have stronger infrastructure. In general, internet and email access has become more available with the growth of internet cafes, and more importantly, international aid programs like the Internet Access and Training Program funded by the USG. Despite these improvements, government liquidation of a number of resource centers has made NGO access substantially worse.

**FINANCIAL VIABILITY: 6.2**

Financial instability is still an important issue for most NGOs. The business community is developing a greater awareness and interest in social responsibility and philanthropy. At the local level, the USG-funded Counterpart Alliance for Partnership program has encouraged businesses to be involved in addressing local problems. At the national level, twenty-two international and

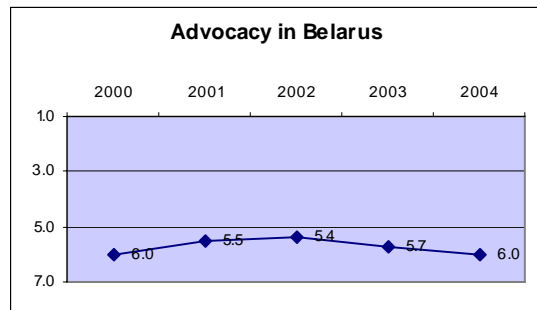
domestic corporations and NGOs have partnered to form the For Social Corporate Responsibility initiative. Overall, the general public believes that corporations owe society more than the rent and taxes they pay and the goods they produce. Businesses, however, do not receive any tax incentives for supporting civil society, and are often forced to finance government-initiated campaigns. Financing such projects is viewed as an extra cost of doing business.

The current political atmosphere often precludes even those local governments that were once supportive from co-sponsoring NGO projects. Low income levels in the general population prevent membership fees from becoming a significant source of funding for NGOs. Organizations and associations that provide fee-based services are in somewhat better shape, but are still far from stable. Significant obstacles have prevented NGOs from engaging in economic activities, which remains an underdeveloped source of funding. As all of these potential funding sources are still insufficient, foreign aid remains the major source of NGO financing. But even foreign aid has become problematic as the recent presidential decrees that regulate foreign aid and technical assistance have complicated the process for registering projects and in some instances made costs prohibitively high for donors. The ability

to diversify funding is restricted by the limited number of donor organizations working with NGOs, and funding is not sufficient to meet the needs of the sector. Many public associations operate without registering, and are therefore not supposed to receive funding.

Government-controlled NGOs however, enjoy significant financial and administrative support from the government. One example is the Belarusian National Union of Youth that receives support under presidential edict #16, which directs the national and local authorities to provide financial resources to maintain its central and local infrastructure and pay salaries to its managers. This support is in addition to the substantial funds being collected from a huge membership base, which has been formed in large part by coercing youth to become members.

The law requires that NGOs as legal entities, keep proper and transparent financial documentation, and report regularly to the fiscal authorities. To fulfill this requirement, organizations have to hire at least a part-time professional bookkeeper, which is an expense that only the most well established organizations can afford. Financial management beyond that is uncommon. These organizations are, however, transparent with their donors.

**ADVOCACY: 6.0**

NGOs and government authorities have at times cooperated on efforts at the local and national levels. Some officials look to professional organizations for expertise in solving difficult issues, although NGOs are not allowed much of a voice and officials often take credit for NGO achievements. This is particularly true when NGOs are invited to partake in councils and working groups concerned with business development, youth activities, the environment, and public health. The government benefits the most from NGOs with expertise in those niches that state bodies are not able to fill or in situations in which larger international programs encourage NGOs to participate.

Examples include the implementation of the Aarhus Convention, the UNDP/GEF Small Grants Program, grants from the Global Fund to Fight AIDS, Tuberculosis and Malaria, and others. Some state officials welcome NGO input more than others, and in some instances, cooperation has led to repression against lenient authorities or orders from the national government to stop.

Public associations have formed coalitions to solve problems in specific areas such as environmental protection, HIV/AIDS, and defending and promoting religious

freedoms. Coalitions also promote constituency interests such as the Collective Defense of NGOs, and the Solidarity campaigns. These types of coalitions are usually not formally registered, but are well-organized. Authorities seldom distinguish between NGO coalitions and political parties and are hostile to both. In 2004, Partnership developed an advocacy campaign to organize communities and mobilized election observers, achieving significant results despite heavy criticism and government harassment. Partnership was able to certify 3,500 independent observers that monitored polling stations during both early and election day voting. Partnership had monitors in all of the 110 electoral districts, covering 25% of the polls throughout the country. The observers registered approximately 1,700 violations of the election law. Written appeals and acts were sent to the election commissions and to the Prosecutor's office in accordance with the legislation, although most appeals were denied.

Advocacy groups do attempt to lobby, but have found it difficult to influence public opinion without access to mass media. Another barrier is the Parliament's lack of real power and its loyalty to the executive authority. NGOs are also limited in their success as lobbyist by their fear of repression. Despite these barriers, professional organizations, at times, achieved a high level of dialogue with government authorities, were included in topical working groups, and even prepared draft laws for GOB consideration. Business associations were active in a number of interdepartmental commissions and working groups to improve legislation on small business, diminish administrative barriers, and improve investment climate.

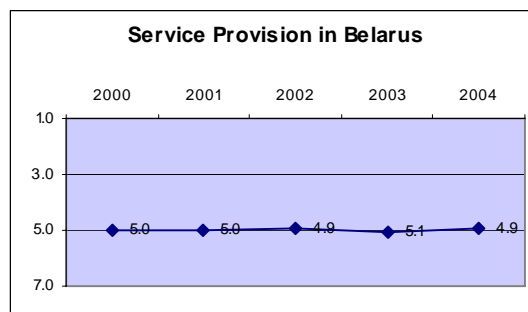
NGOs also increased their participation in the national strategy for poverty reduction

(a UN effort) and contributed to environmental protection legislation.

### SERVICE PROVISION: 4.9

NGOs provide a wide range of services, mostly in areas such as education, culture, humanitarian assistance, and public health. Although organizations seldom conduct needs assessments, especially at the local level, many services are provided by professionals and are of top quality, often rivaling and even surpassing services offered by the state. NGOs are increasingly providing services to their members, each other, and other clients, although licensing and other administrative barriers reduce their potential, and limit services to a small segment of the population.

NGOs still have difficulty recovering the cost of services provided due to limited clientele, the range of services offered, the inability for beneficiaries (including state institutions) to pay, obstacles to commercial activities, and the prevailing belief that most services ought to be offered for free. Some organizations are cautious about fee-based services, fearing the loss of their non-profit status. NGOs also have difficulties competing with government controlled public associations that enjoy considerable benefits and privileges.

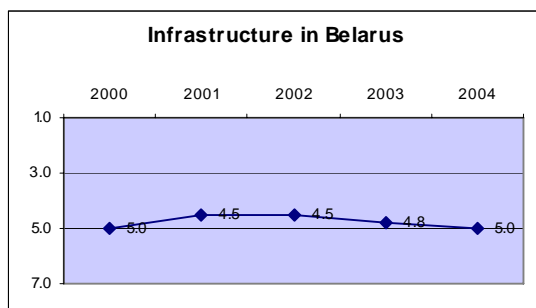


At times, the government recognizes that NGOs have much expertise and are effective service providers, and welcomes NGO participation and assistance in providing services for the general public. However, the government also fears being perceived as unable to provide for the needs of its citizens. Donor funded projects have not only contributed to advances in NGO skills, but they have increased the awareness among government officials that cooperation with NGO service providers can be beneficial. Whether the government and NGOs are able to cooperate often depends on personal contacts, a great deal of patience, and how proposals are tailored to meet the needs of the government.



## INFRASTRUCTURE: 5.0

The NGO sector will have a difficult time recuperating from the government's liquidation of a number of NGO resource centers, which weakened NGO networks, especially in the regions. The remaining resource centers have had to learn how to operate under the tough new regulations concerning foreign aid, but continue to provide information and technical and consultative services to NGOs. Most resource centers offer services free of charge since most recipients are still not able to pay. The NGO sector benefits from a few local grant-making organizations, but they are generally not sustainable and face many constraints.



NGOs continued to build coalitions and alliances around specific issues, such as the environment, and have become more vocal in promoting their members interests, although significant results are rare. Information exchanges between NGOs include various levels of regional and national publications, although circulation of the print publications is limited. The Assembly of Pro-democratic NGOs, which continues to provide support to more than 500 public associations and informal groups, has gained influence and strives to promote the interests of the entire sector.

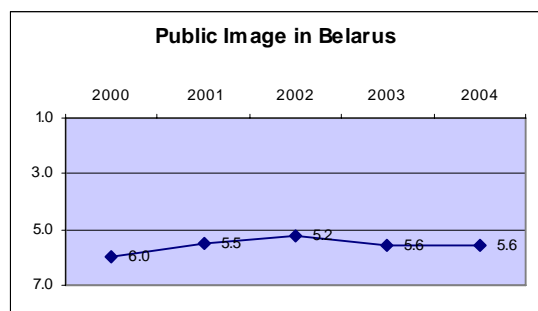
Partnerships between NGOs and the government have, at times, been productive at both the national and local levels. For example, NGOs and business associations were included in topical working groups and prepared draft laws or amendments to existing legislation. NGOs also increased their participation in the national strategy for poverty reduction, a UN effort, and contributed to environmental protection legislation. These partnerships are often required as conditions for foreign aid, and are therefore sporadic and unstable.

The range and qualifications of specialized NGOs and training experts has grown over the past few years, although training programs are often too expensive for most organizations. Training materials are readily available, and while there is a demand for basic training programs, the advanced level courses are offered with greater regularity. Training services often lack post-training consultations and informational support, weakening their effectiveness. Many training services for local organizations are provided as part of donor-funded programs. While some are targeted specifically for smaller communities, training programs are more readily available in larger cities. This year, the government liquidated the European Humanities University, which had the only graduate program in Belarus that focused on the management of non-profit organizations. To make the situation worse and more difficult for foreign donors, the government closed the comprehensive USAID NGO capacity building and training program.



## PUBLIC IMAGE: 5.6

The public image of civil society in Belarus is affected by the political and ideological influences that the government has instilled in the general public. The majority of citizens has never experienced true democracy, or did so for a very limited period, and are therefore more susceptible to the government's propaganda machine. Any kind of democratic initiative is spoiled by government propaganda, which leads to widespread misperceptions, pessimism, and apathy.



In 2004, the government continued its massive attack on the independent media. Most information sources are controlled by authorities, making it difficult for NGOs and others to disseminate independent information. The state-controlled media rarely presents civil society in a positive light, and at best ignores it. Generally, NGOs only get press coverage when they are involved in a discussion of a hot issue, like HIV/AIDS, anti-trafficking prevention,

but they rarely get credit from the government for their efforts to solve a problem. NGOs get greater coverage from the independent press, but the circulations are limited, and long-lasting, productive relationships and substantive articles are rare. Government-controlled NGOs, on the other hand, are well received by the state-run media. In the current political and social environment, it is difficult for NGOs to get their messages out and maintain a positive image.

Despite these obstacles, organizations have been working on public relations and disseminating information. Success is primarily at the community level, where NGO initiatives are the most visible and receive support by local residents and authorities. Donor-funded public relations training programs, local talk shows, and information networks helped to improve public relations efforts. The general public's knowledge about NGOs and their activities remains very low. Certain specialized NGOs and networks are well known and have good reputations with state officials, international organizations, and segments of the population. Business associations, for instance, have increased their profiles within the business community by advocating for business interests. The idea of an NGO publishing an annual report is new and extremely rare.